



İSTANBUL
SANAYİ ODASI

Developments in the Global Manufacturing PMI®

April 2024

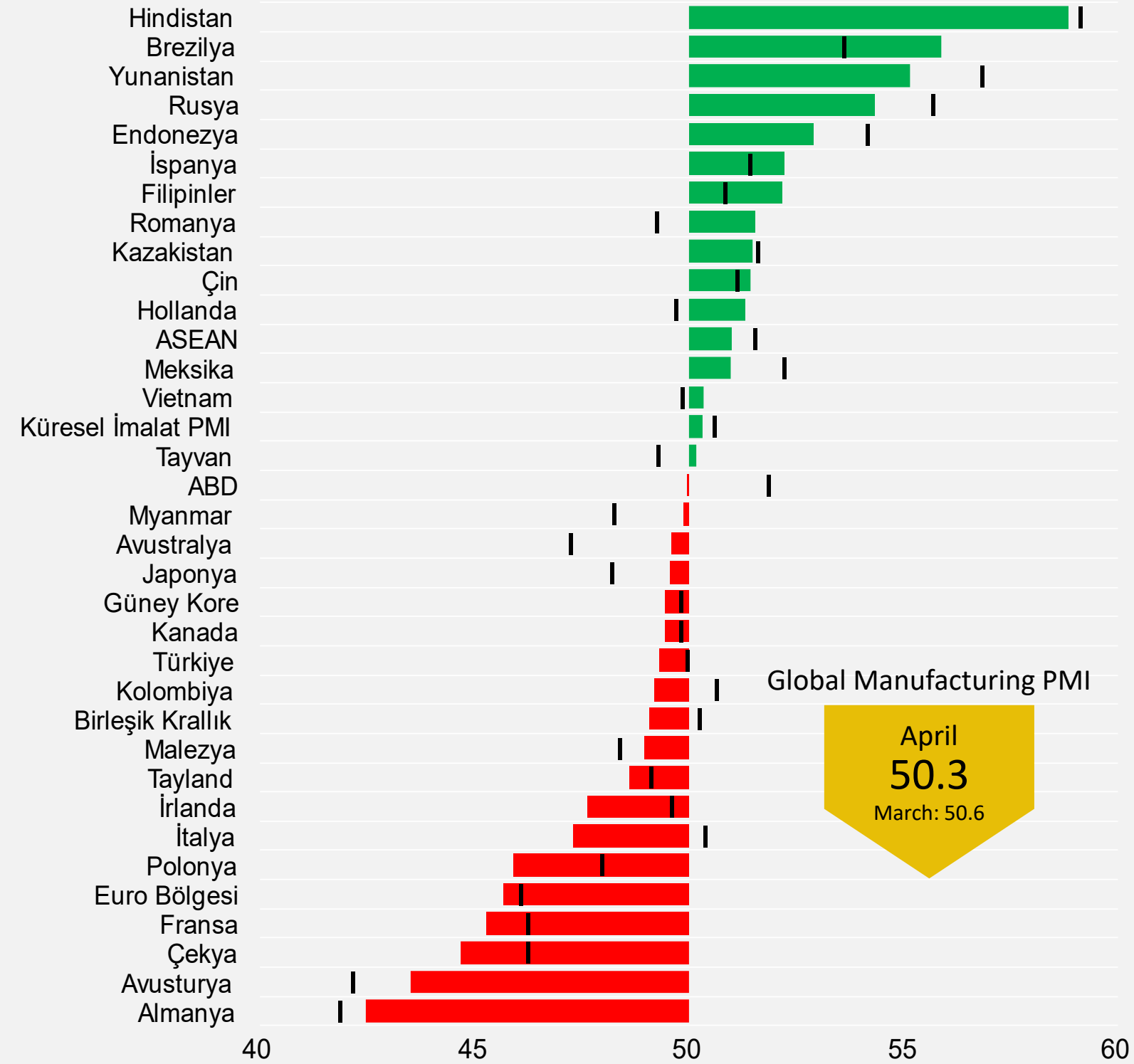




General Outlook

İmalat PMI, Nisan 2024

(>50 = Geçen aya göre iyileşme)



The moderate recovery trend in the world manufacturing industry has reached its third month.

- The Global Manufacturing Purchasing Managers Index® (PMI), which rose to the peak of the last 20 months with 50.6 in March, decreased to 50.3 in April, slightly above the 50.0 threshold value for the third consecutive month.
- Manufacturing PMI index was posted above the 50.0 no-change mark in 14 out of the 32 nations for which data were available. This number was the same in March. While the number of economies experiencing growth decreased in Europe and the Americas compared to the previous month, it increased in Asia-Pacific.
- Global output increased slightly in April. Despite the growth in the output of consumer goods and intermediate goods, there was a decrease in the output of investment goods. New orders increased for the third month in a row, but the increase slowed from March. New export orders increased for the first time in more than two years, supporting demand conditions.
- Employment in the manufacturing industry remained unchanged in April after a limited increase in March. Although the improvement in supply chains continues, the increase in input and product prices accelerated.
- Istanbul Chamber of Industry Türkiye Manufacturing PMI decreased to 49.3 in April from 50.0 in March, indicating the first deterioration in the business conditions of the manufacturing industry in the last 3 months. While the decrease in new orders continued, mainly due to domestic demand, output started to decline again. Although inflationary pressures remained high, they fell to the lowest level in the last 4 months.

Source: S&P Global PMI.

Note: The index values of the previous month are illustrated with vertical black lines to indicate the rises or drops of the index compared to the previous month.

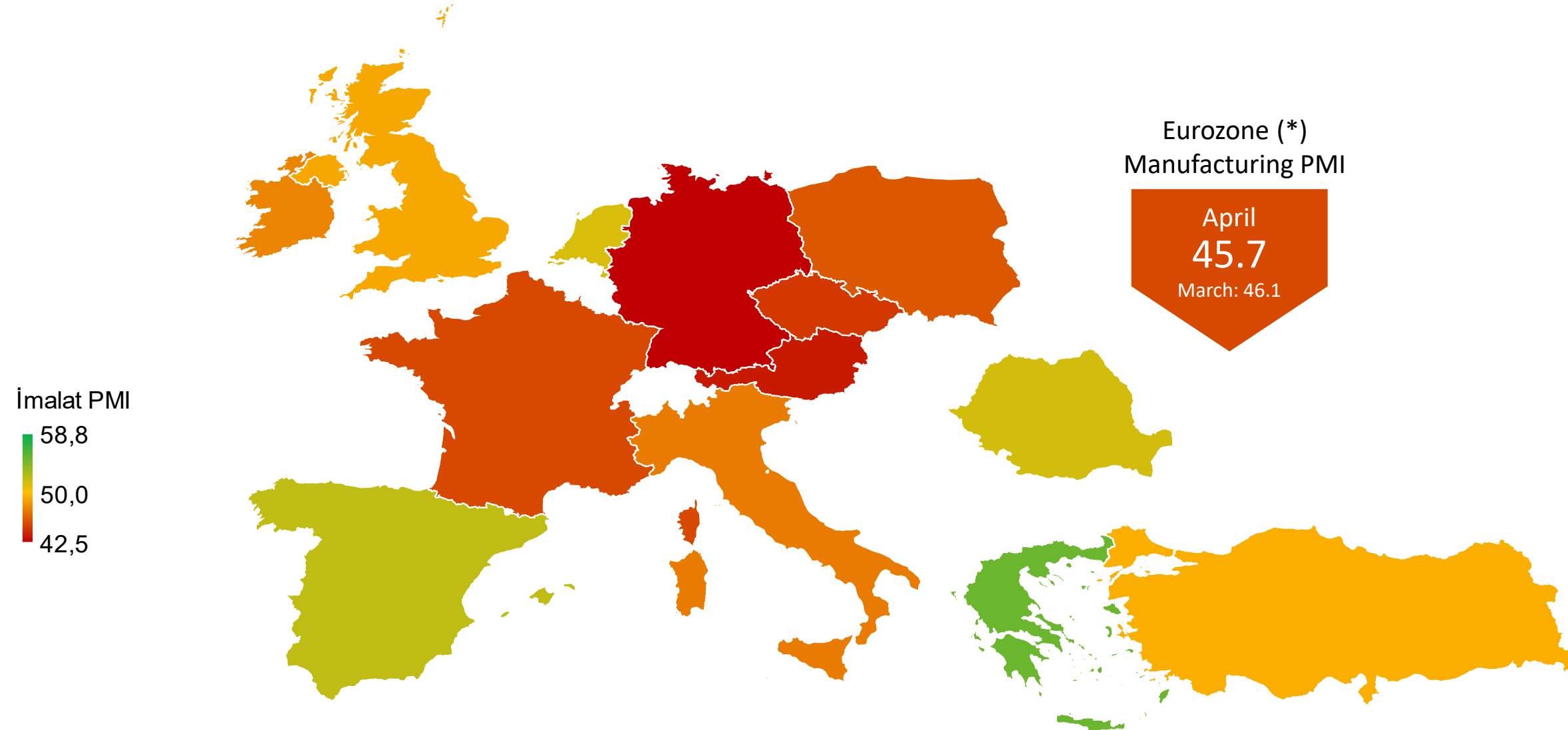


Europe

The Eurozone continued its negative divergence from the rest of the world.

- Eurozone Manufacturing PMI decreased to 45.7 in April from 46.1 in March, indicating that the deterioration continues. On the other hand, despite the accelerated decline in new orders, the contraction in output eased and expectations improved. Lead times were significantly shortened, while input and product prices continued to decline.
- The index was measured above 50 in 3 of the 8 Eurozone countries where PMI data are available. The Netherlands was added to Greece and Spain in the growth zone in April. The weak trend continued in Germany, Austria and France, while Italy contracted again after the recovery in March.

- The manufacturing industry in the United Kingdom returned to the contraction zone in April, while inflationary pressure increased due to the impact of ongoing supply problems.
- In Eastern Europe, Romania achieved growth for the first time in the last 10 months, while the weak outlook of the manufacturing industry continued in Poland and the



Manufacturing PMI	March 2024	April 2024
Greece	56.9	55.2
Spain	51.4	52.2
Romania	49.3	51.5
The Netherlands	49.7	51.3
Türkiye	50.0	49.3
United Kingdom	50.3	49.1
Ireland	49.6	47.6
Italy	50.4	47.3
Poland	48.0	45.9
France	46.2	45.3
Czech Republic	46.2	44.7
Austria	42.2	43.5
Germany	41.9	42.5

Source: S&P Global PMI.

(*) The countries included in the Euro Zone index: Germany, Austria, France, Italy, Ireland, Spain, the Netherlands and Greece.



Asia-Pacific

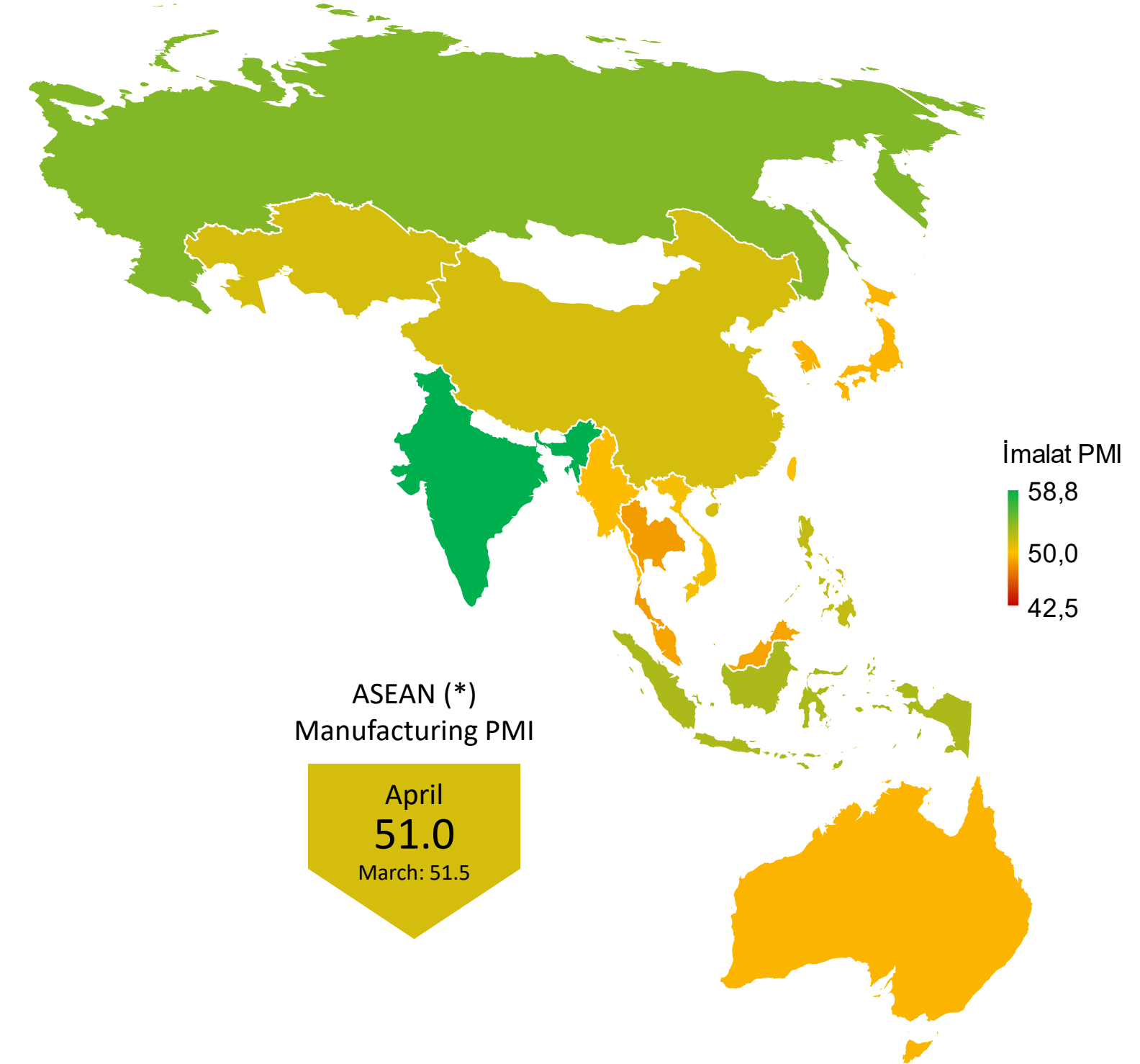
The highest manufacturing industry performance of the last 14 months was observed in China.

- While the majority of Asia-Pacific economies started the second quarter with growth, the divergence between countries appears to have decreased slightly.
- The growth trend reached 6 months due to the ongoing improvement in demand conditions in China. Manufacturing PMI reached its highest value in the last 14 months with 51.4 in April.
- With the slowdown in the decline in output and orders in Japan and the strengthening in employment, PMI came very close to the 50.0 threshold value.
- Among the 32 countries within the scope of Manufacturing PMI, India was again the fastest growing country. The strong increase in output and orders continued.
- In South Korea, employment declined despite moderate increases in demand and output. An improvement was observed in supply chains.
- Manufacturing PMI in Taiwan exceeded 50.0 for the first time in the last 2 years, while output, new orders and employment increased.
- Russia's manufacturing sector continued its strong growth despite a slight loss of momentum. There was an increase in inflationary pressures.
- As the contraction in output and orders slowed down in Australia, PMI increased to 49.6, approaching the 50 threshold.

- Business conditions in the ASEAN region continued to improve, albeit limitedly, compared to March. While growth in Indonesia and the

Manufacturing PMI	March 2024	April 2024
India	59.1	58.8
Russia	55.7	54.3
Indonesia	54.2	52.9
Philippines	50.9	52.2
Kazakhstan	51.6	51.5
China	51.1	51.4
Vietnam	49.9	50.3
Taiwan	49.3	50.2
Myanmar	48.3	49.9
Australia	47.3	49.6
Japan	48.2	49.6
South Korea	49.8	49.4
Malaysia	48.4	49.0
Thailand	49.1	48.6

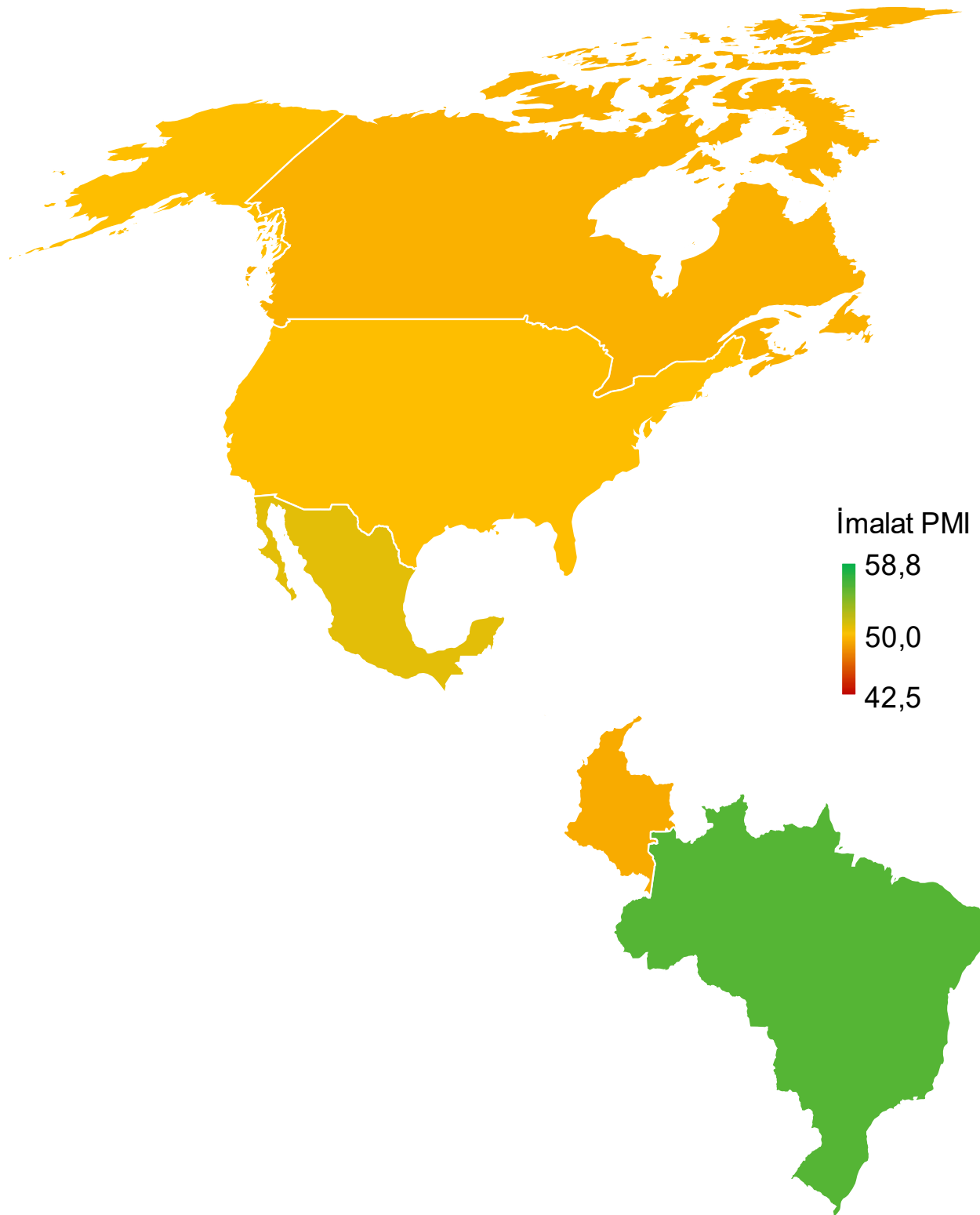
Source: S&P Global PMI.



(*) The countries included in the ASEAN PMI index: Indonesia, Philippines, Malaysia, Myanmar, Singapore, Thailand, Vietnam.



America



Manufacturing PMI	March 2024	April 2024
Brazil	53.6	55.9
Mexico	52.2	51.0
USA	51.9	50.0
Canada	49.8	49.4
Colombia	50.6	49.2

Source: S&P Global PMI.

Demand in the US manufacturing industry lost momentum;
The fastest recovery in the last 33 months occurred in Brazil.

- Despite the increase in US output in April, new orders decreased for the first time in the last 4 months and PMI fell to the threshold value of 50.0. While employment continued to increase in parallel with companies' positive expectations for the future, sales price inflation dropped to its lowest level in the last 3 months.
- Stagnant business conditions continued in Canada's manufacturing industry. The decline in new orders led to a slight contraction in output. Employment growth continued, albeit slowly, while price pressures strengthened.
- Among the 32 countries monitored in April, the second highest Manufacturing PMI value was posted in Brazil. With the contribution of demand conditions and improvement in output, the index reached 55.9, the highest value of the last 33 months.
- Manufacturing PMI in Mexico fell to the lowest level in the last 3 months. Intense Chinese competition and a decline in exports led to reduced output. Inflation decreased for the third month in a row.
- In Colombia, output decreased for the first time in the last 5 months due to the effect of orders decreasing for 2 consecutive months and PMI fell below 50.



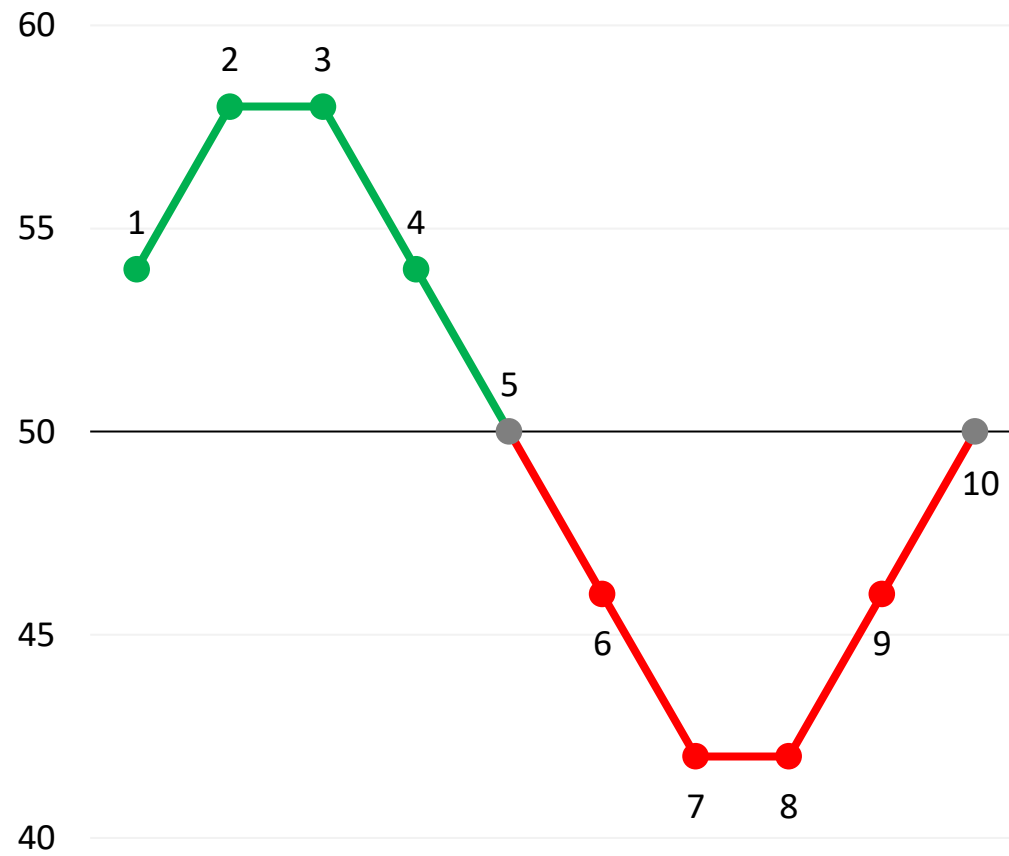
Methodology

What is PMI, how to interpret it?

- Purchasing Managers Index (PMI®) is a pioneer indicator produced by S&P Global and used for measuring the activity conditions of the respective economy/industry.
- Any figure greater than 50.0 indicates overall improvement, while the figures below 50.0 indicate deterioration.

Index Interpretation

50= no change on previous month



How is the manufacturing PMI calculated?

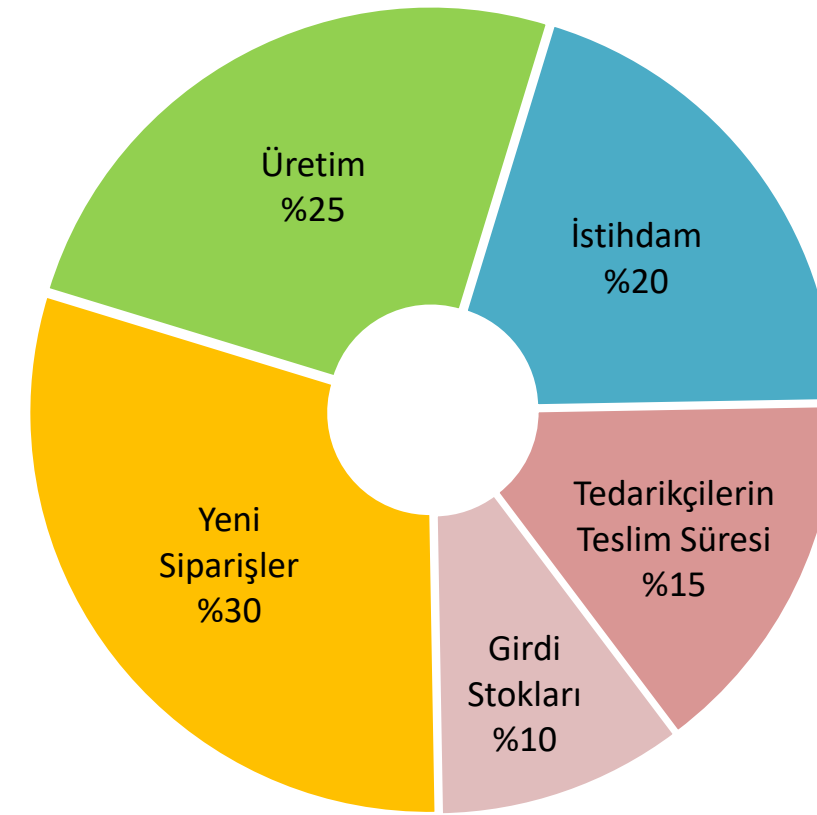
- The index is based on 5 sub-indexes: New Orders, Output, Employment, Suppliers' Delivery Times, Stock of Items Purchased.
- The report features survey data collected from a panel of around 400 companies based in the Turkish manufacturing sector.
- All indexes are seasonally adjusted.

Why is PMI critical?

- Calculated by a set of methods in more than 40 countries^(*), PMI provides a fast, reliable, and comparable data set for the current activity conditions of the industries and economies.
- They are the most closely-watched business surveys in the world, favoured by central banks, financial markets and business decision makers.

(*) S&P Global produces PMI indexes for the manufacturing industry in a total of 32 countries, including Turkey. PMI indexes in other countries are composite indexes that also cover some non-manufacturing sectors. Therefore, for a smooth comparison by country, the scope of the presentation was limited to 32 countries and 3 regions (World, Eurozone, ASEAN) where the manufacturing industry-specific PMI indexes were produced.

Manufacturing PMI Individual Index Weights





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